

# SONET INFRASTRUCTURE BUILDERS INDEXES



## Contact Information

**Joseph LaCorte, CFA**

S-Network Global Indexes, LLC  
(646) 467-7927  
jlacorte@snetworkllc.com

## Licensed ETF

**PowerShares Emerging Markets  
Infrastructure Portfolio: US**  
Ticker: PXR

This is not an offer to purchase or sell shares of the above listed funds. All purchases or sales of shares must be pursuant to a current private offering memorandum for the relevant fund or funds.

Information about the index, including rule book, company descriptions and historic data can be found at:

[www.snetinfrastructureindexes.com](http://www.snetinfrastructureindexes.com)

## TICKERS:

S-Network Emerging Infrastructure Builders Index<sup>SM</sup> (USD): EIBI

S-Network Emerging Infrastructure Builders Index<sup>SM</sup> (EUR): EIBIE

September 2010

Inquire about our custom institutional benchmarking services

## Q3 2010 Review: EIBI

**Index Performance.** The S-Network Emerging Infrastructure Builders Index<sup>SM</sup> (TICKER: EIBI) increased +24.39% from 2415.53 to 3004.67 in the third quarter of 2010. This compares to an increase in the MSCI World Index (TICKER: MXWO) of +13.24% and an increase in the MSCI EAFE Index (TICKER: MXEA) of +15.79%.

The best performing stocks were Harbin Power Equipment Co (TICKER: 1133 HK), which rose +72.60%; CAP SA (TICKER: CAP CI), which rose +60.52%; and Anhui Conch Cement Co Ltd (TICKER: 914 HK), which rose +54.46%. The worst performing stocks were Areva CI (TICKER: CEI FP), which rose +0.11%; Hyflux Ltd (TICKER: HYF SP), which rose +1.56%; and China Communications Construction Co Ltd (TICKER: 1800 HK), which rose +2.85%.

The S-Network Emerging Infrastructure Builders Index<sup>SM</sup> is up +11.45% year-to-date and up +18.84% over the past 12 months.

**Index Description.** The S-Network Emerging Infrastructure Builders Index<sup>SM</sup> (TICKER: EIBI) is a composite equity index designed to serve as an equity benchmark for globally traded stocks that are engaged in the construction of heavy infrastructure projects in middle income and emerging markets. The index comprises companies in seven primary sectors: a) Construction and Engineering; b) Construction Machinery; c) Construction Materials; d) Diversified Metals & Mining; e) Heavy Electrical Equipment; f) Industrial Machinery; g) Steel. EIBI is a globally inclusive index that is tilted to emphasize middle income and emerging markets, which strives to capture all publicly traded companies that meet the index's eligibility criteria.

**Inclusion Criteria.** With the exception of Diversified Metals & Mining, all companies contained in the EIBI are categorized as being "principally" engaged in the business of infrastructure building. For the purposes of the EIBI, a principally engaged company must generate approximately 50% or more of its revenues from infrastructure development, with emphasis on large-scale projects. Homebuilders are excluded from the index. EIBI contains stocks selected from a universe of equity securities traded on recognized stock exchanges that provide a "last closing price" in a) the Americas, b) Europe, Middle East & Africa (EMEA), c) Asia/Pacific, and d) South & Central America, based on a set of objective screening criteria. The selection criteria include requirements for industry participation, primary exchange listing, minimum capitalization, minimum free float, minimum price and minimum average daily trading volume.

**Weighting Methodology.** EIBI employs modified capitalization weighting methodology, adjusted for free float. Adjustments are also made to the index based on the categorization of the index companies as either a) large cap, b) mid-cap, or c) small-cap.

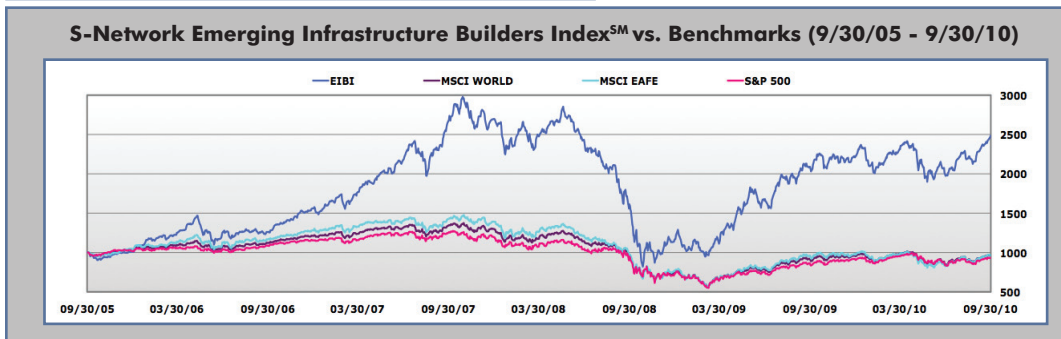
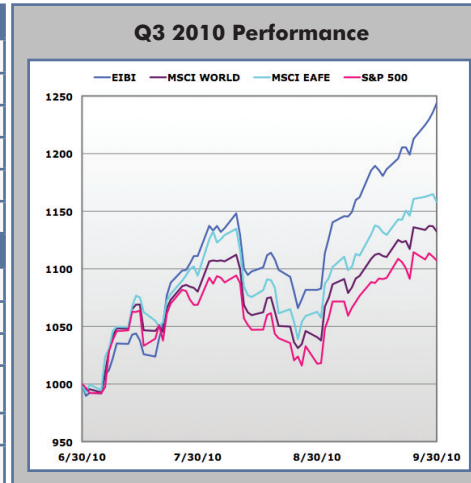
**Rebalancing.** EIBI is rebalanced quarterly on the third Friday of the last month of each calendar quarter, based upon closing prices as of the prior Friday. Index sector weights are fixed at their original weights at each rebalancing.

**Index Data.** EIBI currently contains 75 constituents and is calculated in real time by S&P Custom Indexes. Index values are distributed throughout the day at fifteen-second intervals via the Consolidated Tape Association (Tape B) in both USD and EUR. EIBI is calculated on both a price only and total return basis. Daily values from December 31, 2004 are available on the Infrastructure Builders Indexes website and from various data vendors.

Leading Movers				
Company Name	Ticker	Opening	Closing	Change
HARBIN POWER EQUIPMENT CO	1133 HK	0.720	1.244	<b>72.60%</b>
CAP SA	CAP CI	30.863	49.541	<b>60.52%</b>
ANHUI CONCH CEMENT CO LTD	914 HK	2.941	4.543	<b>54.46%</b>
DONGFANG ELECTRIC CORP LTD	1072 HK	3.108	4.697	<b>51.14%</b>
SEVERSTAL	SVST LI	9.800	14.800	<b>51.02%</b>

Lagging Movers				
Company Name	Ticker	Opening	Closing	Change
AREVA CI	CEI FP	419.189	419.632	<b>0.11%</b>
HYFLUX LTD	HYF SP	2.326	2.362	<b>1.56%</b>
CHINA COMMUNICATIONS CONSTRUCTION CO LTD	1800 HK	0.925	0.951	<b>2.85%</b>
EMPRESAS ICA S.A.B	ICA* MM	2.362	2.434	<b>3.05%</b>
GERDAU SA	GGB US	13.180	13.610	<b>3.26%</b>



\*Note: This chart is a normalized historical graph  
Data Source: Bloomberg Data as of September 30, 2010.

This chart is for illustrative purposes only. Historical information is not indicative of future results; current data may differ from data quoted. Investors cannot invest directly in index. Index returns do not reflect any management fees or brokerage expenses.

This material has been prepared and/or issued by S-Network Global Indexes LLC and/or one of its consultants or affiliates. This document is for information purposes only and it should not be regarded as an offer to sell or as a solicitation of an offer to buy the securities or other instruments mentioned in it. The information, including any third party information, may not be accurate or complete in its entirety, and it should not be relied upon as such. S-Network Global Indexes LLC and/or its affiliates are not acting in a fiduciary capacity. The products mentioned herein may not be eligible for sale in some states or countries and may not be suitable for all investors. The potential yield created by these products may be adversely affected by exchange rates, interest rates, or other economic and political factors. An investor's return may be less than the principle invested. This document may not be reproduced in any manner without the prior written authorization of S-Network Global Indexes LLC. Opinions expressed within reflect the opinions of S-Network Global Indexes LLC and the author/analyst are subject to change without notice.

Index Statistical Profile

Capitalization Profile	
Number of Constituents	75
TOTAL MARKET CAPITALIZATION	786.02 Billion USD
LARGEST MARKET CAPITALIZATION	160.35 Billion USD
SMALLEST MARKET CAPITALIZATION	596.36 Million USD
AVERAGE MARKET CAPITALIZATION	10.48 Billion USD
MEDIAN MARKET CAPITALIZATION	5.36 Billion USD

Simple Price Appreciation				
	EIBI	MSCI WORLD	MSCI EAFE	S&P 500
5 Year	148.180%	-3.685%	-3.572%	-7.130%
3 Year	-6.201%	-27.816%	-32.141%	-25.253%
1 Year	18.842%	4.633%	0.526%	7.958%

Compound Annual Growth Rate (CAGR)				
	EIBI	MSCI WORLD	MSCI EAFE	S&P 500
5 Year	19.937%	-0.748%	-0.725%	-1.468%
3 Year	-2.111%	-10.295%	-12.124%	-9.246%
1 Year	18.842%	4.633%	0.526%	7.958%

Annualized Standard Deviation (Monthly)				
	EIBI	MSCI WORLD	MSCI EAFE	S&P 500
5 Year	35.189%	19.066%	21.121%	17.620%
3 Year	42.065%	23.576%	25.898%	21.822%
1 Year	25.355%	19.424%	20.919%	19.087%

Sharpe Ratio				
	EIBI	MSCI WORLD	MSCI EAFE	S&P 500
5 Year	0.563	-0.046	-0.040	-0.091
3 Year	-0.053	-0.442	-0.473	-0.430
1 Year	0.738	0.232	0.019	0.410

\* Annualized average 3M T-Bill return of 0.129% used for Sharpe Ratio calculation

Top Ten Constituents			
Company	Ticker	Country	Weight
VALE SA	VALE US	BRAZIL	3.93%
CATERPILLAR INC	CAT US	UNITED STATES	3.83%
VINCI SA	DG FP	FRANCE	3.69%
ABB LTD	ABB SS	SWITZERLAND	3.61%
LARSEN & TOUBRO-GDR	LTOD LI	INDIA	3.31%
SHANGHAI ELECTRIC GRP CO LTD	2727 HK	CHINA	3.20%
DONGFANG ELECTRIC CORP LTD	1072 HK	CHINA	3.10%
LONKING HOLDINGS LTD	3339 HK	HONG KONG	2.91%
WILSON BAYLY HOLMES-OVCON	WBO SJ	SOUTH AFRICA	2.29%
ANHUI CONCH CEMENT CO LTD	914 HK	CHINA	2.26%

Correlation Matrix (5 Year/Daily)				
	EIBI	MSCI WORLD	MSCI EAFE	S&P 500
EIBI	1.0000			
MSCI WORLD	0.8146	1.0000		
MSCI EAFE	0.8339	0.8368	1.0000	
S&P 500	0.5723	0.8744	0.4690	1.0000

BETA Matrix (5 Year/Daily)				
	EIBI	MSCI WORLD	MSCI EAFE	S&P 500
EIBI	1.0000			
MSCI WORLD	1.1558	1.0000		
MSCI EAFE	1.0647	0.7530	1.0000	
S&P 500	0.6796	0.7318	0.4362	1.0000

R-Square Matrix (5 Year/Daily)				
	EIBI	MSCI WORLD	MSCI EAFE	S&P 500
EIBI	1.0000			
MSCI WORLD	0.6636	1.0000		
MSCI EAFE	0.6954	0.7002	1.0000	
S&P 500	0.3275	0.7646	0.2200	1.0000

\*All data as of September 30, 2010.

Index Composition

